



**Sun Metro Drug and Alcohol Testing
Program 2nd Follow – Up Audit
No. A2013-08**

Issued by the
Internal Audit Office
August 1, 2013

**City of El Paso
Internal Audit Office
Sun Metro Drug and Alcohol Testing Program 2nd Follow-Up Audit No. A2013-08**

EXECUTIVE SUMMARY

The Internal Audit Office conducted a 2nd Follow-Up Audit on the Sun Metro Drug and Alcohol Testing Program Audit Report dated October 18, 2010. The original Audit Report contained three (3) findings. Upon completion of the audit fieldwork, we have determined the status of the recommendation for each audit finding as outlined in the table below:

Finding No.	Description of Findings	Status
1	Sun Metro is not accurately reporting their random drug and alcohol tests results to the Federal Transit Administration (FTA).	In Progress Management will assume the risk
2	Sun Metro's training records are not accurate and do not keep track of its contractors training records.	Implemented
3	The negative/cancelled drug and alcohol test results were not maintained in a secured location with controlled access.	Implemented During 1 st Follow-Up

For a detailed explanation of the Findings #1 and #2 and the current observations please refer to the appropriate finding contained in the body of this Audit Report.

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BACKGROUND

The *Generally Accepted Government Auditing Standards* (Standard 4.05 and 6.36), the *International Standards for the Professional Practice of Internal Auditing* (Performance Standard 2500.A1) require a post audit follow-up on all audit recommendations made in order to ascertain that appropriate corrective action is taken to address reported audit findings. This is the 2nd Follow-Up Audit conducted by the Internal Audit Office of the Sun Metro Drug and Alcohol Testing Program Report dated October 18, 2010. The 1st Follow-Up Audit Report is dated April 9, 2012.

After the completion of the 1st Follow-Up Audit, the following notable occurrences took place:

- The management of the Sun Metro Drug and Alcohol Testing Program was transferred to First Transit. First Transit agreed to perform and provide the personnel for the Safety, Security, and Training function in accordance with the *Sun Metro Mass Transit Management Services Agreement with First Transit, Inc.*, commencing on November 11, 2012.
- Sun Metro was notified on December 31, 2012 by the Federal Transit Administration (FTA) that the City of El Paso is in compliance with the federally-mandated Drug and Alcohol Testing Program. The FTA conducted an audit of the drug and alcohol testing program during the period of 11/16/2011 to 11/18/2011. Sun Metro took the required corrective actions to bring FTAS's identified areas into compliance.

AUDIT OBJECTIVES

The audit objective was to determine the status of two (2) pending recommendations found to be "In Progress" during the 1st Follow-Up Audit.

AUDIT SCOPE

The 2nd Follow-Up Audit was limited to a review of two (2) findings and recommendations detailed in the "*Sun Metro Drug and Alcohol Testing Program Audit*" report dated October 18, 2010. The audit period covered the operations of Sun Metro from May 1, 2012 to present.

AUDIT METHODOLOGY

To achieve our audit objectives we:

- Verified the number of random drug and alcohol tests reported to FTA for calendar year 2012 for Sun Metro, Job Express, Ruiz Protective Services, Checker/Yellow Cab, and Firestone.
- Selected a sample of Sun Metro and contractor employees and determined if:
 - Sun Metro is keeping records for contractor employee's attendance at the Drug and Alcohol Awareness and Reasonable Suspicion Trainings.
 - Sun Metro's Training Matrix lists all Sun Metro employees, selected for review, with the date they attended applicable training.

We conducted this performance audit in accordance with *Generally Accepted Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

This audit was also conducted in conformance with the *International Standards for the Professional Practice of Internal Auditing* issued by the Institute of Internal Auditors.

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***ORIGINAL FINDINGS, ORIGINAL RECOMMENDATIONS, MANAGEMENT'S RESPONSE TO
ORIGINAL FINDINGS, FIRST FOLLOW-UP OBSERVATION AND STATUS, CURRENT
OBSERVATION, AND STATUS***

Based on the results of follow-up test work, each original finding recommendation will be designated with one of the following four status categories:

<i>Implemented</i>	The finding has been addressed by implementing the original corrective action or an alternative corrective action.
<i>In Progress</i>	The corrective action has been initiated, but is not complete.
<i>Not Applicable</i>	The recommendation is no longer applicable due to changes in procedures or changes in technology.
<i>Not Implemented</i>	The recommendation was ignored, there were changes in staffing levels, or management has decided to assume the risk.

Original Finding 1

Random Drug and Alcohol Testing Reports

Per FTA Drug and Alcohol Regulation Updates, Winter 2009, Issue 39, Page 2:

“Drug tests must be conducted at a minimum rate of 25% of the number of safety-sensitive employees and alcohol tests must be conducted at a minimum rate of 10%.”

For calendar year 2009:

- The actual numbers verified by the Internal Audit Office, Sun Metro Reports, and Random Drug and Alcohol Tests reported to FTA differ for the following:

Number of Random Drug Testing Instances

Verified by Internal Audit Office		Sun Metro	FTA Reports as of 3/15/2010
	Total Random Drug Tests verified by Internal Audit	Total Random Drug Tests Per Sun Metro	Total Random Drug Tests Reported to FTA
Job Express	16	16	18
Checker/Yellow Cab	26	26	27
SM - Maintenance	64	64	65
SM - Operations	230	210	212

Number of Random Alcohol Testing Instances

Verified by Internal Audit Office		Sun Metro	FTA Reports as of 3/15/2010
	Total Random Alcohol Tests verified by Internal Audit	Total Random Alcohol Tests Per Sun Metro	Total Random Alcohol Tests Reported to FTA
Checker/Yellow Cab	11	11	12
SM - Maintenance	17	19	17
SM - Operations	62	62	58

Recommendation

Sun Metro should correct the reports submitted to FTA, review and reconcile the reports prior to submitting to FTA, and seek a software solution to avoid any problems in the future.

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Management's Response

Sun Metro has reviewed, reconciled and resubmitted the corrected reports to FMCSA MIS on 10/11/10 and FTA MIS 10/11/10.

Number of Random Drug Testing Instances

Verified by Internal Audit Office		Sun Metro	FTA Reports
	Total Random Drug Tests verified by Internal Audit	Total Random Drug Tests Per Sun Metro	Total Random Drug Tests Reported to FTA
Job Express	16	16	18

Job Express – The Auditor's copy of the database has an empty field for employee (*employee name deleted*). The original file shows an entry for that employee for the month of 9/29. The Auditor's copy of the file shows all the sheets selected in a group mode which is the process the DER used to clear the SS#'s. Working with grouped sheets the same function to one field transfers to all the sheets simultaneously. By doing such, the DER mistakenly cleared the data on field F14 for all the sheets, resulting in this record to not be counted by the automated formula. The Auditor's count does not include the result on field F14 on the active sheet and one positive result on the gone sheet. However, the original data base reflects the correct information. Confirmation of the above correct information reflects on an email dated August 16, 2010, which was a copy of the totals reporting 17 as the total count for Job Express. The file submitted to the auditor was dated August 18, 2010. FTA and Sun Metro Data Base reports reflect total tested are 16 individuals on the active list (all with negative results) and two on the gone list, one being a positive. Total results reported to FTA was 18.

Verified by Internal Audit Office		Sun Metro	FTA Reports
	Total Random Drug Tests verified by Internal Audit	Total Random Drug Tests Per Sun Metro	Total Random Drug Tests Reported to FTA
Checker/Yellow Cab	26	26	27

Checker Yellow Cab - FTA report reviewed by Auditor did not reflect an amended report sent to FTA by Sun Metro on 3/29/10. This was Sun Metro's error; we failed to provide this revised document to the auditing team. Sun Metro is in agreement with the auditor's finding of 26 (See amended FTA MIS report dated 3/29/10).

Verified by Internal Audit Office		Sun Metro	FTA Reports
	Total Random Drug Tests verified by Internal Audit	Total Random Drug Tests Per Sun Metro	Total Random Drug Tests Reported to FTA
SM - Maintenance	64	64	65

SM Maintenance - FTA and Sun Metro Data Base report reflects a total of 65 individuals tested. Auditor's findings do not reflect one individual in the gone list, whose result was positive.

Verified by Internal Audit Office		Sun Metro	FTA Reports
	Total Random Drug Tests verified by Internal Audit	Total Random Drug Tests Per Sun Metro	Total Random Drug Tests Reported to FTA
SM - Operations	230	210	212

SM Operations - We are in agreement with the Auditor's finding of a total 230 counted on the active list. This error was attributed to a cell formula error on Sun Metro's part. However, the auditing team did not include the two (2) positive results on the gone list. The total number, end result, reported to FMCSA MIS 10/11/10 and FTA MIS 10/11/10 total 230 negative results and two positive results for a total of 232.

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Number of Random Alcohol Testing Instances

Verified by Internal Audit Office		Sun Metro	FTA Reports
	Total Random Alcohol Tests verified by Internal Audit	Total Random Alcohol Tests Per Sun Metro	Total Random Alcohol Tests Reported to FTA
Checker/Yellow Cab	11	11	12

Checker/Yellow Cab - The Auditor's copy of the database has an empty field for employee (*employee name deleted*). The original file shows an entry for that employee for the month of 9/2. The Auditor's copy of the file shows all the sheets selected in a group mode which is the process the DER used to clear the SS#'s. Working with grouped sheets the same function to one field transfers to all the sheets simultaneously. By doing such, the DER mistakenly cleared the data on field F14 for all the sheets, resulting in this record to not be counted by the automated formula. The Auditor's count does not include the result on field F14 on the active sheet. However, the original data base reflects the correct information. Confirmation of the above correct information reflects on an email dated August 16, 2010, which was a copy of the totals reporting 12 as the total count for Yellow Cab. The file submitted to the auditor was dated August 18, 2010.

Verified by Internal Audit Office		Sun Metro	FTA Reports
	Total Random Alcohol Tests verified by Internal Audit	Total Random Alcohol Tests Per Sun Metro	Total Random Alcohol Tests Reported to FTA
SM - Maintenance	17	19	17

SM – Maintenance – Sun Metro is in agreement with the Auditor's findings. During this audit Sun Metro discovered an error within one of its data base cells. Amended reports were submitted to FMCSA MIS 10/11/10 and FTA MIS 10/11/10 reflecting 17 total.

Verified by Internal Audit Office		Sun Metro	FTA Reports
	Total Random Alcohol Tests verified by Internal Audit	Total Random Alcohol Tests Per Sun Metro	Total Random Alcohol Tests Reported to FTA
SM - Operations	62	62	58

SM – Operations - During this audit the findings were attributed to misreading of data by the DER. The error did not include 4 individuals in the gone list. Amended reports were filed with FMCSA MIS 10/11/10 and FTA MIS 10/11/10 reflecting a total of 62 negative results.

Sun Metro has contacted C Transit (GP Program/Microsoft a Human Resource Finance Program), Viva Transit (Drug Pak), DART Transit (Everitest), and Metropolitan Transportation Authority (Drug Pak). C Transit and DART claim that major modifications had to be introduced to the programs they purchased. Viva and Metropolitan Authority claim that they are extremely satisfied with the results but they also claim that they had major modifications that needed to be made to their program. FTA and FMCSA have been contacted concerning Canned Programs and informed Sun Metro that they could not endorse any programs. Sun Metro is requesting information from Drug Pak and has contacted (*name deleted*) (Sun Metro's MRO) for recommendations of programs that will interact with his reporting database. His response was that the program that Sun Metro has established is better than any canned program on the market. (*Name deleted*) also offered his assistance by providing any reports generated by his program at any interval we desire.

Responsible Party

Paul J. Manzanares, Transit Safety Manager
Blanca Hernandez, Transit Supervisor for Safety

Implementation Date

Already under implementation.

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First Follow-Up Observation

The numbers verified by the Internal Audit Office, through Sun Metro Reports and the Random Drug and Alcohol Tests reported to FTA differ for the following:

Number of Random Drug Testing Instances

	Total Random Drug Tests verified by Internal Audit (Sum of Jan 11 - Dec 11)	Total Random Drug Tests Per Sun Metro Report	Total Random Drug Tests Reported to FTA
Job Express	8	8	9
Firestone	1	1	1
Checker/Yellow Cab	7	10	10
Ruiz Protective Services	32	28	32
SM - Dispatch	19	18	19
SM - Maintenance	38	39	40
SM - Operations	118	119	118
Totals:	<u>223</u>	<u>223</u>	<u>229</u>

Number of Random Alcohol Testing Instances

	Total Random Alcohol Tests verified by Internal Audit (Sum of Jan 11 - Dec 11)	Total Random Alcohol Tests Per Sun Metro Report	Total Random Alcohol Tests Reported to FTA
Job Express	4	6	4
Firestone	1	1	1
Checker/Yellow Cab	3	5	4
Ruiz Protective Services	19	16	20
SM - Dispatch	7	9	7
SM - Maintenance	17	20	17
SM - Operations	45	43	45
Totals:	<u>96</u>	<u>100</u>	<u>98</u>

It appears that an adequate review and reconciliation is not being performed by Sun Metro of Random Drug and Alcohol Tests counts prior to FTA reporting.

First Follow-Up Status

In Progress

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Current Observation

The numbers verified by the Internal Audit Office, through Sun Metro Reports and the Random Drug and Alcohol Tests reported to FTA differ for the following:

Number of Random Drug Testing Instances

	Total Random Drug Tests Reported to FTA	Total Random Drug Tests verified by Internal Audit (Sum of Jan 12 - Dec 12)
Ruiz Protective Services	49	48
SM - Maintenance	28	29

Number of Random Alcohol Testing Instances

	Total Random Alcohol Tests Reported to FTA	Total Random Alcohol Tests verified by Internal Audit (Sum of Jan 12 - Dec 12)
Ruiz Protective Services	21	23
SM - Dispatch	16	15
SM - Operations	0	54

It appears that an adequate review and reconciliation is not being performed by Sun Metro of random drug and alcohol tests counts prior to FTA reporting.

Status

In Progress

Sun Metro and First Transit will assume the responsibility of ensuring that proper reconciliation is performed of Random Drug and Alcohol Test counts prior to reporting to the FTA.

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Original Finding 2

Training Records

Per FTA, 49 CFR Part 655 §655.14 (b):

- (1) "...Covered employees. Covered employees must receive at least 60 minutes of training on the effects and consequences of prohibited drug use on personal health, safety, and the work environment and on the signs and symptoms that may indicate prohibited drug use.
- (2) Supervisors. Supervisors and/or other company officers authorized by the employer to make reasonable suspicion determinations shall receive at least 60 minutes of training on the physical, behavioral, and performance indicators of probable drug use and at least 60 minutes of training on the physical, behavioral, speech, and performance indicators of probable alcohol misuse."

A sample of 78 employees (40 Sun Metro employees and 38 contractor employees) was selected for review.

- Sun Metro does not keep training records for Checker/Yellow Cab, Ruiz Protective Services, Firestone, and Job Express employee's attendance at the Drug and Alcohol Awareness and Reasonable Suspicion Trainings.
- Sun Metro's Training Matrix did not list all Sun Metro employees. Six out of 40 Sun Metro employees did not have a date of attending the Drug and Alcohol Awareness Training.

Recommendation

All safety sensitive employees and supervisors should receive the proper Drug and Alcohol Awareness training, and Sun Metro should keep track of attendees' attendance.

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Management's Response

Sun Metro has initiated a process of collecting training records from its contractors. A copy of the electronic matrix file has been provided to the contractors to ensure that all records are up to date and accurate. The matrix employee list and training records will be updated on a monthly basis.

Responsible Party

Paul J. Manzanares, Transit Safety Manager
Blanca Hernandez, Transit Supervisor for Safety

Implementation Date

October 1, 2010

First Follow-Up Observation

A review of the Sun Metro Training Matrix (as of 3/1/2012) identified that Sun Metro is not keeping up-to-date training records for attendance at the Drug and Alcohol Awareness and Reasonable Suspicion trainings for both Sun Metro employees and contractors.

A sample of 77 employees (37 Sun Metro employees and 40 contractor employees) was selected for review with the following results:

Sun Metro

- 11 out of 37 (30%) Sun Metro employees did not have an attendance date at the Drug and Alcohol Awareness or the Reasonable Suspicion trainings. A date was obtained from the employee's training records for 5 out of the 11 (45%) employees.
- 1 out 37 (3%) Sun Metro employees were not listed in the Training Matrix.

Outside Contractors

- 26 out of 40 (65%) contract employees did not have an attendance date at the Drug and Alcohol Awareness or the Reasonable Suspicion trainings. A date was obtained from the employee's training records for 12 out of the 26 (46%) employees.
- 22 out of 40 (55%) contract employees were not listed in the Training Matrix.

First Follow-Up Status

In Progress

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Current Observation

- Sun Metro has improved its maintenance of training records for attendance at the Drug and Alcohol Awareness and Reasonable Suspicion trainings.
- A review of the Sun Metro Training Matrix identified that Sun Metro is adequately updating both Sun Metro employee and contractor training records.

A sample of 24 employees (18 Sun Metro employees and 6 contractor employees) was selected for review with the following results:

Sun Metro

- 5 out of 18 (28%) Sun Metro employees selected for review did not have an attendance date at the Drug and Alcohol Awareness and/or the Reasonable Suspicion trainings. The names of four (4) of these Sun Metro employees were not listed in the Training Matrix because they had not completed any training at Sun Metro during the time of review.
 - 2 employees were attending the New Coach Operator Training at the time of review.
 - 3 employees were new hires which, according to the Safety, Training & Security Division, are scheduled to attend the New Coach Operator Training and/or the Reasonable Suspicion trainings class beginning on 8/26/2013.

Outside Contractors

- 4 out of 6 (67%) contract employees were not listed in the Training Matrix and did not have an attendance date at the Drug and Alcohol Awareness or the Reasonable Suspicion trainings.
 - Firestone had two new hires hired on (3/20/2013 and on 5/23/2013 respectively); both employees, according to the Safety, Training & Security Division, are scheduled to attend the Drug and Alcohol Awareness Training at the New Coach Operator Training beginning on 8/26/2013.
 - Job Express had two new hires which attended the Drug and Alcohol Training on 7/26/2012. The new hires were transitional so they were not entered into the Training Matrix.
- At the time of review Sun Metro did not have any training information on individuals hired after May 2012 by Ruiz Protective Services. Ruiz Protective Service took on the responsibility of conducting its own Drug and Alcohol Training. After inquiring if Sun Metro would be held responsible by FTA for the record keeping of Ruiz Protective Services training; the Safety Division requested training records from Ruiz Protective Services. The training records were received and provided to the Internal Audit Office on August 1, 2013.

Status

Reasonable progress has been done to classify the finding as “Implemented.”

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INHERENT LIMITATIONS

Because of the inherent limitations of internal controls, errors or irregularities may occur and not be detected. Also, projections of any evaluation of the internal control structure to future periods are subject to the risk that procedures may become inadequate due to changes in conditions, or that the degree of compliance with the procedures may deteriorate.

CONCLUSION

We have concluded our audit work on the objectives of the 2nd Follow-Up Audit – Sun Metro Drug and Alcohol Testing Program. In accordance with Generally Accepted Government Auditing Standards we are required to conclude on whether the Sun Metro Drug and Alcohol Testing Program met the objectives of the audit. The following is our conclusion.

1. The Sun Metro Drug and Alcohol Testing Program has met the objectives in the following areas:
 - The Sun Metro Drug and Alcohol Testing Program is complying with Training Requirements contained in FTA, 49 CFR Part 655 §655.14 (b). Sun Metro needs to continue to ensure that it maintains the names of covered employees attending training along with the dates and times of such training.
2. The Sun Metro Drug and Alcohol Testing Program has not met the objectives in the following areas:
 - The Sun Metro Drug and Alcohol Testing Program is not complying with the MIS (Management Information System) reporting. Sun Metro is not ensuring the accuracy of MIS (Management Information System) reports before they are submitted to FTA, resulting in the resubmission of corrected reports.

Sun Metro will assume the risks of not fully implementing the recommendation contained in Finding #1. The Internal Audit Office will not be scheduling additional work on this audit.

We wish to thank Sun Metro's Management and Staff for their assistance and courtesies extended during the completion of this 2nd Follow-Up Audit.

Signature on File
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Chief Internal Auditor

Signature on File
Liz De La O, CFE, CIA, CGAP, MPA
Lead Auditor

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